BOARD OF DIRECTORS MEETING February 25, 2011

Vice Chairman John Fitzpatrick called the meeting to order at 10:00 a.m. in the Board Conference Room located at the Louisiana Lottery Corporation Headquarters, 555 Laurel Street, Baton Rouge, Louisiana. All stood to recite the Pledge of Allegiance.

I. Attendance

- A. Members Present: Vice-Chairman John Fitzpatrick, Directors: Pete Cole, Verge Ausberry, Eva Breaux, Kim Carver, Lisa Reardon, Roy Robichaux and J.T. Taylor
- B. Members Absent: None
- C. Staff: President Rose Hudson, Senior Vice President and Secretary/Treasurer Karen Fournet, and Senior Vice President and General Counsel John Carruth.

II. Approval of the Minutes of Prior Board Meetings

Vice Chairman Fitzpatrick proposed to approve the December 15, 2010 Board meeting minutes; Kim Carver moved, Roy Robichaux seconded. There being no objection, the motion carried.

III. President's Report

President Rose Hudson reported that she met with Commissioner Paul Rainwater and members of the Governor's staff regarding the revenue bonds issue despite the news reported in a local newspaper that Governor Jindal has dropped the idea of securitizing the Lottery, as he was quoted, "it lacks sense." Nonetheless, Ms. Hudson said it was an opportunity to encourage Commissioner Paul Rainwater et al to proactively inquire with the Lottery should any other "projections" or speculations arise in the future. Commissioner Rainwater et al were receptive, asked questions and it resulted in a productive conversation.

President Hudson shared her enthusiasm of the Lottery's Millionaire Bonus Raffle game, which goes on sale Feb. 28. Retailers and the public alike seem to be anticipating the start of the Raffle Game. Ms. Hudson reported that the Lottery is using the Millionaire Bonus Raffle as a way to connect with retailers on the ground level and with the public via the Millionaire Bonus Raffle television commercial which was also shown to the Board.

President Hudson turned the floor over to Karen Fournet, Senior Vice President, Secretary/Treasurer, who presented the Financial Report via PowerPoint presentation (hard copy attached) featuring the FY11-12 proposed Budget.

President Hudson resumed with commentary regarding the Budget noting the exemption of merit increases to Lottery employees.

IV. Board Committee Reports

A. <u>Personnel Committee Chairman Kim Carver</u> presented, for Board approval, Resolution 11-02-25-01, relative to Personnel Policies and Rules. The amendment to the vacation policy will provide full-time employees who have reached their 2 year anniversary or longer, with the option of receiving up to 40 hours of their earned vacation paid out as earnings. Vice Chairman Fitzpatrick invited public comment. Hearing none, Vice Chairman Fitzpatrick invited a motion to approve Resolution 11-02-25-01; Director Robichaux moved. Director Reardon seconded. There being no objection, the motion carried.

B. <u>Finance Committee Chairman Verge Ausberry</u> presented, for Board approval, **Resolution number 11-02-25-02** relative to the FY11-12 Budget. Vice Chairman John Fitzpatrick invited public comment. Hearing none, Vice Chairman Fitzpatrick invited a motion to approve **Resolution 11-02-25-02**; Director Carver moved (noting for the record, extensive discussion on the budget took place during the Finance Committee Meeting), Director Ausberry **seconded**. There being no objection, the motion **carried**.

V. Election of Officers

Vice Chairman Fitzpatrick opened the floor for nominations for the Office of Chairman, moved to nominate Director Verge Ausberry for Chairman and invited public comment. Hearing none, Robichaux seconded. There being no objection, Director Ausberry was elected Chairman of the Board of Directors. Chairman Ausberry thanked Former Chairman Ronnie Johns for his service and thanked the Board for entrusting him to the role of Chairman.

Chairman Ausberry moved to re-elect John Fitzpatrick for the Office of Vice Chairman; Director Carver seconded. There being no objection, Vice-Chairman John Fitzpatrick was re-elected as Vice-Chairman of the Board of Directors.

Vice Chairman John Fitzpatrick moved to nominate Director Kim Carver for Office of Secretary, Director Reardon seconded. Director Kim Carver was elected to Secretary of the Board of Directors.

VI. Other Business

Rose Hudson presented to former Chairman Ronnie Johns, a thank you plaque for his service to the Board. Ronnie Johns graciously praised and thanked the Board.

VII. Adjournment

Chairman Ausberry adjourned the Board Meeting until the next meeting set for 10:00 a.m. Friday, April 15, 2011 to be held in the Board of Directors conference room of the Louisiana Lottery Corporation Headquarters located at 555 Laurel Street, Baton Rouge, Louisiana. There being no further business, Chairman Ausberry adjourned the meeting 10:52 a.m.

Date Approved:

2011

Mary Quigley

Executive Assistant to the Board of Directors

Kím Carver

Secretary to the Board of Directors

Verge Ausberry

Chairman of the Board of Directors

Attachment(s):

- (1) Hard Copy Financial PowerPoint Presentation
- (2) Resolution Number 11-02-25-1
- (3) Resolution Number 11-02-25-2